

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Robert G. Taub

Barronett Post Office
Barronett, Wisconsin

Docket No. A2012-32

ORDER AFFIRMING DETERMINATION

(Issued January 30, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012.”¹ The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly,

¹ United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011, at 1 (Notice).

the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

The Postal Service’s Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service’s request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On October 25, 2011, Donald and Judy Haseleu, and Illa Theese (Petitioners) filed petitions with the Commission seeking review of the Postal Service’s Final Determination to close the Barronett, Wisconsin post office (Barronett post office).² The Final Determination to close the Barronett post office is affirmed.

II. PROCEDURAL HISTORY

On October 31, 2011, the Commission established Docket No. A2012-32 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.³

On November 9, 2011, the Postal Service filed the Administrative Record with the Commission.⁴ The Postal Service also filed comments requesting that the Commission affirm its Final Determination.⁵

² Petition for Review received from Donald and Judy Haseleu regarding the Barronett, Wisconsin post office 54813, October 25, 2011 (Haseleu Petition); Petition for Review received from Illa Theese regarding the Barronett, Wisconsin post office 54813, October 25, 2011 (Theese Petition).

³ Order No. 938, Notice and Order Accepting Appeal and Establishing Procedural Schedule, October 31, 2011.

⁴ The Administrative Record is attached to the United States Postal Service Notice of Filing, November 9, 2011 (Administrative Record). The Administrative Record includes, as Item No. 47, the Final Determination to Close the Barronett, Wisconsin Post Office and Extend Service by Rural Route Service (Final Determination).

⁵ United States Postal Service Comments Regarding Appeal, December 16, 2011 (Postal Service Comments).

Petitioners filed participant statements supporting their petitions.⁶ On December 20, 2011, the Public Representative filed a reply brief.⁷

III. BACKGROUND

The Barronett post office provides retail postal services and service to 90 post office box customers. Final Determination at 2. No delivery customers are served through this post office. The Barronett post office, an EAS-11 level facility, has retail access hours of 8:00 a.m. to 12:00 p.m. and 1:00 p.m. to 4:45 p.m., Monday through Friday, and 10:00 a.m. to 11:45 a.m. on Saturday. Lobby access hours are 8:00 a.m. to 5:00 p.m., Monday through Friday, and 10:00 a.m. to 12:00 p.m. on Saturday. *Id.*

The postmaster position became vacant on February 11, 2009, when the Barronett postmaster was retired. An officer-in-charge (OIC) was installed to operate the post office. Retail transactions average 11 transactions daily (13 minutes of retail workload). Post office receipts for the last three years were \$32,427 in FY 2008; \$30,729 in FY 2009; and \$28,344 in FY 2010. There are no permit or postage meter customers. *Id.* By closing this post office, the Postal Service anticipates savings of \$32,516 annually. *Id.* at 14.

After the closure, retail services will be provided by the Cumberland post office located approximately 7 miles away, or by the Shell Lake post office located approximately 8 miles away.⁸ Delivery service will be provided by rural carrier through the Cumberland post office. The Cumberland post office is an EAS-18 level post office, with retail hours of 8:30 a.m. to 4:30 p.m., Monday through Friday, and 9:30 a.m. to 11:00 a.m. on Saturday. Two-hundred-forty-two (242) post office boxes are available.

⁶ Participant Statement received from Donald and Judy Haseleu, November 16, 2011 (Haseleu Participant Statement); Participant Statement received from Illa Theese, November 16, 2011 (Theese Participant Statement).

⁷ Reply Brief of the Public Representative, December 20, 2011 (PR Reply Brief).

⁸ MapQuest estimates the driving distance between the Barronett and Cumberland post offices to be approximately 7.62 miles (10 minutes driving time). Mapquest estimates the driving distance between the Barronett and Shell Lake post offices to be approximately 8.47 miles (also 10 minutes driving time).

Id. The Postal Service will continue to use the Barronett name and ZIP Code. *Id.* at 4, Concern No. 15.

IV. PARTICIPANT PLEADINGS

Petitioners. Petitioners oppose the closure of the Barronett post office. Petitioners, Don and Judy Haseleu, present five arguments in opposition to the closing of the Barronett post office: (1) they are not in favor of a rural box because they are regularly away from home, and they rarely go to Cumberland; (2) they are concerned that the rural boxes would be hit by snow plows and other vehicles; (3) they are concerned about the exposure of their packages out in the rain or snow; (4) they are concerned about having two different ZIP Codes for home and mailing address; and (5) they suggested the Postal Service save money by stopping mail delivery on Saturday and resolve the retirement issue instead of closing post offices and firing workers. Haseleu Petition at 1; Haseleu Participant Statement at 1-2.

Petitioner Illa Theese presents four arguments in opposition to closing the Barronett post office: (1) she argues that the Barronett post office is good for the community; (2) she is concerned about snow plows hitting her mailbox; (3) she may have to hire someone in the winter because she does not drive when roads are icy; and (4) she feels that her mail is safe and convenient at the Barronett post office. Theese Petition at 1; Theese Participant Statement at 1-2.

Postal Service. The Postal Service argues that the Commission should affirm its determination to close the Barronett post office. Postal Service Comments at 1. The Postal Service believes the appeal raises four main issues: (1) the effect on postal services; (2) the impact on the Barronett community; (3) the economic savings expected to result from discontinuing the Barronett post office; and (4) the effect on employees. *Id.* The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Barronett post office should be affirmed. *Id.* at 15.

The Postal Service explains that its decision to close the Barronett post office was based on several factors, including:

- the postmaster vacancy;
- a minimal workload and low office revenue;
- a variety of other delivery and retail options (including the convenience of rural delivery and retail service);
- little recent growth in the area;
- minimal impact on the community; and
- expected financial savings.

Id. at 4. The Postal Service contends that it will continue to provide regular and effective postal services to the Barronett community when the Final Determination is implemented. *Id.* at 4-5.

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioners regarding the effect on postal services, the effect on the Barronett community, economic savings, and the effect on postal employees. *Id.* at 15.

Public Representative. The Public Representative states that the Postal Service has followed applicable procedures, that the decision to close the Barronett post office is not arbitrary or capricious, and that the Postal Service's decision is supported by substantial evidence. PR Reply Brief at 7. He argues that the Postal Service complied with the notice and posting requirements of 39 U.S.C. § 404(d)(1). *Id.* He also contends that the Postal Service appears to have considered the pertinent factors of 39 U.S.C. § 404(d)(2). *Id.* at 8. Therefore, the Public Representative concludes that the Final Determination of the Postal Service to close the Barronett post office should be affirmed. *Id.* at 9.

V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal Service's determination to close or consolidate a post office on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. 39 U.S.C. § 404(d)(5).

The Administrative Record indicates the Postal Service took the following steps in reaching its Final Determination. On May 24, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Barronett post office. Final Determination at 2. A total of 323 questionnaires were distributed to delivery customers of the Barronett post office. Other questionnaires were made available at the retail counter of the Barronett post office. A total of 140 questionnaires

were returned. On June 7, 2011, the Postal Service held a community meeting at the Barronett Civic Club to address customer concerns. Thirty-eight (38) customers attended. *Id.*

The Postal Service posted the proposal to close the Barronett post office with an invitation for comments at the Barronett and Cumberland post offices from June 25, 2011 through August 26, 2011. *Id.*⁹ The Final Determination was posted at the same two post offices from September 29, 2011 through October 31, 2011. Administrative Record, Item No. 36.

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C. § 404(d)(2)(A).

Effect on the community. Barronett, Wisconsin is an unincorporated community located in Barron County, Wisconsin. Administrative Record, Item No. 16. The community is administered politically by the Township of Lakeland. Police protection is provided by the Barron County Sheriff. Fire protection is provided by the Cumberland Volunteer Fire Department. The community is comprised of retirees, farmers, summer residents, the self-employed, and those who work in local businesses or commute to work in nearby communities. *Id.* Residents may travel to nearby communities for other supplies and services. *See generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

⁹ The Final Determination states that the proposal to close the Barronett post office was also posted at the Shell Lake post office from June 25, 2011 through August 26, 2011; however, the Administrative Record does not contain evidence supporting this statement. Administrative Record, Item No. 36.

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met with members of the Barronett community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Barronett post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 11-12, 14.

Petitioners raise the issue of the effect of the closing on the Barronett community. Haseleu Petition at 1; Haseleu Participant Statement at 2; Theese Petition at 1; Theese Participant Statement at 1-2. Specifically, Petitioners express concern about having two different ZIP Codes for their home and mailing address. Haseleu Petition at 1; Haseleu Participant Statement at 2.

The Postal Service contends that it has considered this issue extensively and explains the community identity will be preserved by continuing the use of the Barronett name and ZIP Code in addresses, as well as in the National Five-Digit ZIP Code and Post Office Directory. Postal Service Comments at 11. It asserts that customers who currently receive mail by rural delivery should not need to change their address. *Id.* The Postal Service further notes that carrier services will be also able to meet the needs of the business community and accommodate future growth. *Id.* at 12. The Public Representative concludes that the community identity will be preserved. PR Reply Brief at 8.

The Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

Effect on employees. The Postal Service states that the Barronett postmaster retired on February 11, 2009 and that an OIC has operated the Barronett post office since then. Final Determination at 2. It asserts that after the Final Determination is implemented, the temporary OIC will return to the Danbury post office. Postal Service Comments at 14. It further notes that OIC may either be reassigned or separated and

that no other Postal Service employee will be adversely affected by the closing. Postal Service Comments at 14; Final Determination at 14-15.

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Barronett post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

Effective and regular service. The Postal Service contends that it has considered the effect the closing will have on postal services provided to Barronett customers. Postal Service Comments at 5. It asserts that customers of the closed Barronett post office may obtain retail services at the Cumberland post office located 7 miles away or from the Shell Lake post office located 8 miles away. Final Determination at 2. Delivery service will be provided by rural carrier through the Cumberland post office. The Barronett post office box customers may obtain Post Office Box service at the Cumberland post office, which has 242 boxes available. *Id.*

Petitioners suggest that it is inconvenient to travel to the Cumberland post office and note the difficulties that senior citizens or individuals with disabilities would face in obtaining postal services from rural route delivery. Haseleu Petition at 1; Haseleu Participant Statement at 1-2; Theese Participant Statement at 2. For customers choosing not to travel to the Barronett post office, the Postal Service explains that retail services will be available from the carrier. Postal Service Comments at 5-6. It notes that there are various options for shipping packages and purchasing stamps and shipping labels. *Id.* at 6. The Postal Service adds that it is not necessary to meet the carrier for service since most transactions do not require meeting the carrier at the mailbox. *Id.* It further contends that delivery can be made to the home of a customer in hardship cases or for special customer needs. *Id.*

Petitioners also express concerns about mail security and maintaining a rural mailbox. Haseleu Petition at 1; Haseleu Participant Statement at 1-2; Theese Participant Statement at 2. Petitioners are specifically concerned about obtaining their mail while they are away, given that they are frequently away on short notice. Haseleu Petition at 1; Haseleu Participant Statement at 1-2. Petitioners are also concerned

about snowplows and other vehicles hitting their rural mailboxes. Haseleu Petition at 1; Haseleu Participant Statement at 1; Theese Participant Statement at 1. The Postal Service responds that customers concerned about mail theft may place locks on their mailboxes and that postal inspection service records indicate that there has been only one report of mail theft or vandalism in the area. Postal Service Comments at 9. It asserts that customers are not required to erect a rural mailbox. The Postal Service also explains that customers who will be away for extended time may request their mail be held at the post office during their absence; there are several ways to request a hold. *Id.* Regarding their rural mailbox concerns, the Postal Service contends that the Cumberland post office will determine proper placement of boxes, taking a number of factors into consideration, such as the convenience of customers and safety of the rural carrier, including how to minimize potential damage to the mailbox, such as from snow plows. *Id.* at 10.

The Public Representative suggests that the Postal Service has arranged for customers of the Barronett post office to have access to effective and regular postal services. PR Reply Brief at 8-9. He concludes that no persuasive argument has been presented that would prevent the Commission from affirming the Final Determination. *Id.* at 9.

The Postal Service has considered the issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

Economic savings. The Postal Service estimates total annual savings of \$32,516. Final Determination at 14. It derives this figure by summing the following costs: postmaster salary and benefits (\$42,456) and annual lease costs (\$1,500), minus the cost of replacement service (\$11,440). *Id.*

Petitioners suggest other means to reduce costs in lieu of closing the Barronett post office. Haseleu Petition at 1; Haseleu Participant Statement at 2. The Postal Service responds that in this case it has determined that carrier service, coupled with service at the Cumberland post office, is a reasonable solution that will yield economic savings. Postal Service Comments at 13. After noting that it is not required to evaluate

and reject alternative proposals, the Postal Service asserts that it considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. *Id.* at 14. The Public Representative concludes that the Postal Service adequately considered the economic savings from the closing. PR Reply Brief at 7.

The Commission has previously observed that the Postal Service should include in its estimate of savings those costs likely to be eliminated by the closing. The Barronett post office postmaster retired on February 11, 2009. Final Determination at 2. The post office has since been staffed by an OIC who, upon discontinuance of the post office, will return to his duties at a nearby post office. The postmaster position and the corresponding salary will be eliminated. See, e.g., Docket No. A2011-67, United States Postal Service Comments Regarding Appeal, October 24, 2011, at 13; Docket No. A2011-68, United States Postal Service Comments Regarding Appeal, November 2, 2011, at 10. Furthermore, notwithstanding that the Barronett post office has been staffed by an OIC for approximately two years, even assuming the use of the presumably lower OIC salary, the Postal Service would have satisfied the requirements of section 404(d)(2)(A)(iv).

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

VI. CONCLUSION

The Postal Service has adequately considered the requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Barronett post office is affirmed.

It is ordered:

The Postal Service's determination to close the Barronett, Wisconsin post office is affirmed.

By the Commission.

Shoshana M. Grove
Secretary

DISSENTING OPINION OF CHAIRMAN GOLDWAY

The Administrative Record is inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Barronett post office has been operated by an officer-in-charge (OIC) since the former postmaster retired on February 11, 2009. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal because only an OIC will be eliminated; yet on the other hand, it argues that the savings should be calculated using a full-time postmaster position.

The Postal Service already claims billions of dollars in savings from reducing labor costs. I believe the savings from substituting OICs in postmaster positions throughout the nation has already been included in those billions. There are inherent and blatant contradictions in the Administrative Record that must be corrected on remand.

It is not the statutory responsibility of the Commission to correct the Administrative Record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data was in the Administrative Record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

Moreover, the Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process, but had not yet received a discontinuance notice by December 12, 2011 have the respite of a 5-month moratorium.

The citizens of Barronett, Wisconsin and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Administrative Record is unclear if the Postal Service adequately considered the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

On February 11, 2009, the postmaster of the Barronett post office retired. The Administrative Record indicates that since that time, a part-time flexible (PTF) clerk from the Danbury post office was installed as the officer-in-charge (OIC) to operate the post office. In addition, there is also a non-career postmaster relief (PMR). The Administrative Record, however, is unclear if the OIC is a non-career PMR or a career employee on temporary assignment to operate the post office. Administrative Record, Item 15 at 1, Item 41 at 16, Item 42 at 1, Item 44 at 1; Final Determination at 14.

If the OIC is a career employee on temporary assignment, it could be that the salary and benefits are comparable to an EAS-11 postmaster. But, if the OIC is a PMR, then the cost savings analysis should reflect that a PMR has been in charge of this facility since February 2009, not an EAS-11 postmaster. As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

I find that the Administrative Record evidence does not support the Postal Service's decision to discontinue operations at the Barronett post office and should be remanded.

Nanci E. Langley